

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2019-291-S - ORDER NO. 2019-775

NOVEMBER 14, 2019

IN RE: Joint Application for Approval of the Sale of)	ORDER APPROVING
Assets and Transfer of Facilities and Service)	SALE AND TRANSFER
Territory from Moore Sewer, Inc. to)	OF ASSETS AND
Spartanburg Sanitary Sewer District.)	SERVICE TERRITORY

This matter comes before the Public Service Commission of South Carolina ("Commission") on the Joint Application of Moore Sewer, Inc. ("Moore Sewer" or "Company") and the Spartanburg Sanitary Sewer District ("SSSD"), (collectively "Joint Applicants"), for approval of the former's sale and transfer of its sewer system and territory to the latter. Moore Sewer is represented by Charles L.A. Terreni, the SSSD is represented by Richard L. Whitt, and the Office of Regulatory Staff ("ORS") is represented by Jenny R. Pittman.

The Application was filed with the Commission on August 30, 2019. The Joint Applicants requested the Commission's approval for the sale and transfer of the sewer system, including all necessary facilities, and tangible and intangible properties, to the SSSD, which will enable the SSSD to provide the SSSD's sewer collection service to 116 sewer customers in Madera Village and 284 customers in Linville Hills in Spartanburg County presently served by Moore Sewer. The Joint Applicants submitted an executed Asset Purchase Agreement as Exhibit A to their Application. The transaction is contingent on approval of the Commission.

A notice of the Application was mailed to Moore Sewer's customers on September 16, 2019. No petitions to intervene or protests have been received by the Commission. One customer wrote asking for additional information about the transaction. The ORS filed a letter informing the Commission it does not object to the proposed transaction and that "[t]he near-term rate impact for customers in Linville Hills and Madera Village will be minimal and all customers should benefit from an improved system with reduced inflow and infiltration." Letter of Jenny R. Pittman, October 17, 2019.

The Joint Applicants were granted a waiver of the hearing provisions of S.C. Code Ann. Regs. 103-504. The Commission found a waiver of such provision is in the public interest because expedited consideration of the Application would allow SSSD to begin required improvements to the system. Order No. 2019-637.

S.C. Code Ann. Regs. 103-504 provides no existing public utility supplying wastewater disposal service to the public shall sell, acquire, transfer, begin the construction or operation of any utility system, or any extension thereof, by the sale of stock or otherwise, without first obtaining from the Commission a certificate that the sale, transfer, or acquisition is in the public interest, or that public convenience and necessity requires or will require construction or operation of any utility system, or extension. Although S.C. Code Ann. Regs. 103-504 provides for notice and due hearing, S.C. Code Ann. Regs. 103-501(3) states that "In any case where compliance with any of these rules and regulations introduces unusual difficulty or where circumstances indicate that a waiver of one or more rules or regulations is otherwise

appropriate, such rules or regulations may be waived by the Commission upon a finding by the Commission that such waiver is not contrary to the public interest."

This Commission notes it has previously considered applications in its weekly public meeting when the applications have no other parties involved and the Application is not contested. The Commission finds that a waiver of the hearing requirement – or more accurately, an expedited hearing effectuated through the Commission's public business meeting – is in the public interest.

The Commission makes these findings of fact.

1. Moore Sewer is a public utility as defined by S.C. Code Ann. § 58-5-10(4) and provides sewer service to the public in certain areas of Spartanburg County, and is subject to the jurisdiction of this Commission.

2. The SSSD is a special purpose district existing under S.C. Code Ann. § 6-11-1210 *et seq.*, and the SSSD owns and operates a wastewater collection and treatment system by which it provides sewer services to users residing in Spartanburg County. The SSSD's utility operations are not subject to the jurisdiction of the Commission.

3. Transferring the assets of Moore Sewer to the SSSD is conditioned in part upon the Commission issuing its Order approving the transfer.

4. The only public comment received in this matter requested an explanation of the transaction. No petitions to intervene or letters of objection have been received to date. It is in the public interest for the Commission to waive the

hearing requirement and approve this transaction.

5. Based on the verified Application, Moore Sewer's collection system requires upgrades, and SSSD plans to make necessary improvements when it acquires the system.

6. The rate impact to customers will be minimal and they will benefit from improved service.

Based upon the above findings of fact, the Commission concludes that the requested sale and transfer should be approved.

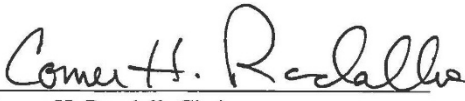
IT IS THEREFORE ORDERED:

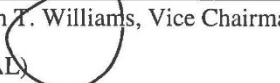
1. The Application of Moore Sewer, Inc. for Sale of Assets and Transfer of Facilities and Service Territory to the Spartanburg Sanitary Sewer District is approved.

2. Moore Sewer, Inc.'s Certificate of Public Convenience and Necessity under S.C. Code Ann. Regs. 103-504 and 103-512.4.B shall be canceled along with the performance bond currently on file with the Commission.

3. This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:


Comer H. Randall, Chairman


Justin T. Williams, Vice Chairman
(SEAL)